

DOGM
MINERALS PROGRAM
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From: Wayne Hedberg
To: MINERALS
Date: Monday, May 1, 1995 10:34 am
Subject: Phone conversation - Jumbo Mining Company (M/027/007)

Mr. Ed King of Jumbo Mining Company called me this morning inquiring about the status of our response to JMC's latest soils replacement/borrow area submittal. I informed him that I have been working on a draft response letter which I will try and get out to him by the end of the week (following staff and management review). He stated that he needed to prepare a written status report to update the Colorado Court on what JMC's progress has been to date. He indicated he would prepare a draft letter based upon his understanding of where we are in the process of responding to their submittal, and fax a copy up for our review this week.

We discussed the status of their new heap leach proposal and Mr. King indicated that JMC has contracted with Dr. Everett Lawton (a B.Y.U. instructor?) who is @90% finished with the final design specifications for the new heap. Mr. King anticipates one more go around with DEQ/DWQ folks before final design specs are complete and acceptable. He anticipates another 2 weeks to prepare their latest submittal for DEQ review (assuming Dr. Lawton won't have to regenerate a series of computer files that JMC's previous consultant (Tetra Tech) may have lost). If they have to regenerate the computer files, then it may be a month or more before they ready to resubmit plans to DEQ.

I asked Mr. King what their plans were for the existing heaps. He indicated that they are putting together a business package that will involve reprocessing of @2/3 of the present heaps. Once the new 1,000,000 ton heap is approved (**and a funding source/JV Partner(?) is secured**), it will be constructed and ore from heaps HG 2, 3, 4 & 5, LG2 and 7 will be sequentially reprocessed/crushed, restacked and leached. As the old heaps are consumed and moved to a newly permitted heap, a series of new heaps will be built in succession to replace the old heaps (ore will be moved progressively from heap 3 to 2, 4 to 3, and so on). New ore will also continue to be mined and processed from the existing and new pits (Alto, Mizpah and north end of #2). No current plans to mine the Ibex or Keystone ore bodies.

A COPY OF THIS MEMO HAS BEEN SENT TO THE MINE FILE - M/027/007.

CC: LBRAXTON, EQDOMAIN.EQWQ.MNOVAK, EQDOMAIN.EQERR.JKN...